



FOR IMMEDIATE RELEASE
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Loan Kickback Scheme Results in 68-Count Federal Grand Jury Indictment

Three Yuma residents charged with fraud against AEA Federal Credit Union

PHOENIX Ariz. - A federal grand jury in Phoenix has returned a 68-count indictment against William Liddle, 50, Rhonda Liddle, 45, and Frank Ruiz, 61, all of Yuma, Ariz. They are charged with committing fraud against AEA Federal Credit Union, located in Yuma and Parker, Arizona.

The indictment alleges that William Liddle, former Vice President of Business Lending for AEA, conspired with Yuma businessman Frank Ruiz to approve suspicious business loans in exchange for almost \$1 million in kickbacks to Liddle and his wife.

All of Ruiz's business ventures funded by the AEA loans, including the Yuma Fun Factory, ended in bankruptcy. More than \$25 million in AEA loans Liddle authorized during this conspiracy remain in default. All three defendants recently declared personal bankruptcy as well.

"Financial institutions are not personal fun factories for its officers and their anointed business pals. The defendants' selfish scheme has come full circle and they are already paying a price for their greed," said U.S. Attorney Dennis K. Burke. "They have victimized not only a financial institution but an entire community and jeopardized that community's faith in this institution. We will make sure they are also held accountable for their disregard of the law and the consequences suffered by the credit union. I want to thank the FBI and the IRS for their hard work and continued dedication in combating financial fraud. We are all committed to ferreting out and combating financial institutional fraud in any and all communities in this state."

"The indictment of Mr. and Mrs. Liddle and Mr. Ruiz is the culmination of an extensive FBI and IRS investigation that exposed their loan kickback scheme to obtain fraudulent business loans," said FBI Special Agent in Charge, Phoenix Division, Nathan Gray. "The FBI and our law enforcement partners are committed to seeking out those who conspire to defraud financial institutions."

All three defendants were arrested today. Convictions for counts of fraud alleged in the indictment carry a maximum penalty of 30 years in prison, a \$1 million fine or both. In determining an actual sentence, the district court judge will consult U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented

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to a jury that establishes guilt beyond a reasonable doubt.

The investigation preceding the indictment was conducted by the Federal Bureau of Investigation with assistance by representatives of the Internal Revenue Service. The prosecution is being handled by Monica Klapper and Peter Sexton, Assistant U.S. Attorneys, District of Arizona, Phoenix.

CASE NUMBER: CR-10-01725-SRB

RELEASE NUMBER: 2010-258(Liddle et al.)

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